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European Union

Grain and Feed

Weekly rice report, Brussels, April 20, 1999

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Report Highlights:

This weekly report contains data on rice prices in the U.S., Thailand and the EU. It also lists current import duties and export subsidies in the EU. All information will be published as such in the weekly USDA publication "Rice Market News".

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Brussels USEU [BE2], E2

Weekly rice report - BRUSSELS, April 20, 1999

(1) MARKET SUMMARY

It was yet another slow week for rice exports. Due to little enthusiasm in the market and buyers making only hand to mouth purchases, U.S. rice prices continued to edge slightly downward. Both Thai and European markets are experiencing similar lulls and their prices remained unchanged. The minor decrease in EU price reported below is strictly a factor of the Euro/\$US exchange rate which has declined steadily since the Euro's inception in January.

Thai sales are down 400,000 MT from this time last year. A partial reason for the decline is a decrease in sales to Indonesia. Currently the islands seem to be the principle buyer in the market. As it turns to China as a large supplier, we could see further downward price pressure throughout the other Asian markets.

COMMISSION AWARDS UNDER OPEN MARKET EXPORT TENDERS, GRAIN MANAGEMENT MEETING APRIL 15, 1999

- Husked long grain rice to Reunion (Comm.Reg. 2563/98): no bids, hence no licenses awarded.
- Wholly milled round, medium and long grain A rice to zones I to VI (except Cyprus, the Czech Republic, Estonia, Hungary, Poland, Slovenia, and Turkey) and to zone VIII (except Guyana, Madagascar, and Surinam), Comm. Reg. 2564/98: no bids, hence no licenses awarded.
- Wholly milled round, medium and long grain A rice to Cyprus, the Czech Republic, Estonia, Hungary, Poland and Slovenia (Comm. Reg. 2565/98): 300 MT of bids, licenses awarded for 200 MT at a maximum export subsidy of EUR 158/MT.
- Wholly milled long grain rice to zones I to VI (except Turkey) and zone VIII (except Guyana, Madagascar and Surinam) (Comm. Reg. 2566/98): 500 MT of bids, licenses awarded for 500 MT at a maximum subsidy of EUR 327/MT.

(2) LOWEST OFFERING PRICES BASIS C&F ARAG (UNLESS OTHERWISE STATED), FOR APRIL SHIPMENT

(A) WHOLE LONG-GRAIN

	US\$/MT	US\$/100 LBS
	Bulk	Bulk
UNITED STATES:		
2 Milled 4 pct	341.70	15.50
2 Brown 4/73 pct	314.14	14.25
1 Brown parb 4/88 **	363.74	16.50

Medium Milled 2/4	330.68	15.00
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* F.A.S. basis

** While nominal price quotes are for 1 BROWN PARB 4/88, these quotes in reality refer to rice that meets all U.S. No.1 requirements except for one or two categories. Current and historical trade practice is for rice shipped to the EU to be graded only as No.2 and to be further processed upon arrival.

	US\$/MT	US\$/100 LBS
	Bulk	Bulk
SURINAM:		
Brown 4/72 Pct Grade A *	N.Q.	N.Q.
Brown 6/70 Pct Grade B **	N.Q.	N.Q.
GUYANA:		
Brown 6/70 Pct Grade B **	N.Q.	N.Q.
SURINAM/GUYANA Semi-Milled:		
70-75 Pct Guyana	N.Q.	N.Q.
70-75 Pct Surinam	N.Q.	N.Q.

* C&F Liner out Rotterdam

** C&F F/O Rotterdam

	US\$/MT	US\$/100 LBS
	Bulk	Bulk
THAILAND:		
TWR 100% B	292.00 C&F	13.25
Parb LZ 4-88%	315.00 C&F	14.29
Loonzain 100% B	305.00 C&F	13.84
A1 Super	235.00 C&F	10.66
Fragrant WR 100%	490.00 C&F	22.23

Fragrant LZ Super	425.00 C&F	19.28
Fragrant LZ Supreme	445.00 C&F	20.19
Milled parb LG **	644.17	29.22

	Lira/MT	US\$/MT	US\$/100 LBS
	Bulk	Bulk	Bulk
EUROPEAN UNION *:			
Milled LG 5 Pct **	1020	560.50	25.43
Milled parb LG **	1150	631.94	28.67

(B) WHOLE RMG

	Lira/MT	US\$/MT	US\$/100 LBS
	Bulk	Bulk	Bulk
ITALY*:			
Milled Medium ***	N/A	400.00	18.14-19.05
Camolino (FOB)	950.00	522.04	23.68

*U.S / Lira exchange 04/19/99 \$1= 1819.80

** Domestic prices, converted into \$ from quotations in ITL/kg

*** export prices, FOT basis

(3) IMPORT LEVIES ARE CHANGED SINCE 04/15/99

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	EUR/MT	EUR/MT	US\$/MT	US\$/MT
	General	ACP	General	ACP
Brown RG+MG Regul + Parb	213.19	69.91	226.83	74.38
Brown LG Regul + Parb	221.50	75.74	235.68	80.59
Milled RG Regul + Parb	416.88	133.50	443.56	142.04

Milled MG + LG Regul + Parb	416.88	133.50	443.56	142.04
Brokens	152.00	49.58	161.73	52.75

EURO/US\$ exchange rate = 1.0640

(4) EXPORT SUBSIDIES ON RICE, effective 03/29/99

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With the exception of 2,595 MT provided for under notes 1) and 2) below, the issue of export licenses with advance fixing of the refund is suspended.

	EUR/MT	US\$/MT
Brown RG+MG+LG Reg, RG+MG+LG Parb, to Switzerland, Liechtenstein, Livigno and Campione d'Italia 1)	87.00	92.57
Semi-milled RG+MG+LG Reg, RG+MG+LG Parb to Switzerland, Liechtenstein, Livigno and Campione d'Italia 1)	87.00	92.57
Milled RG+MG+LG Reg, RG+MG+LG Parb, to Switzerland, Liechtenstein, Livigno and Campione d'Italia 1)	109.00	115.98
Milled RG+MG+LG Reg, RG+MG+LG Parb, to Zones I, II, III, VI	-	-
Milled RG+MG+LG Reg, RG+MG+LG Parb, to Zones IV, V, VII (C), Canada, Zone VIII, with the exception of Surinam, Guyana and Madagascar	-	-
Wholly milled rice RG+MG+LG, to Ceuta and Melilla 2)	115.00	118.97
Milled RG+MG+LG Reg, RG+MG+LG Parb, to destinations mentioned in Art. 34 of amended Comm. Reg. 3665/87 (=Supplies to internat. organiz. established in the EU, supplies to armed forces etc.)	-	-

1) in respect of a quantity of 1,922 MT milled rice equivalent.

2) in respect of a total quantity of 620 MT.